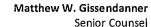
Request of South Carolina Electric & Gas Company for an order authorizing the withdrawal of certain funds from its Storm Damage Reserve Fund to offset those costs incurred in connection with its tree trimming and vegetation management programs for its electric transmission and distribution systems		t those costs incurred ) and vegetation	) BEFORE THE ) PUBLIC SERVICE COMMISSION ) OF SOUTH CAROLINA ) ) COVER SHEET ) ) DOCKET ) NUMBER: 2008 - 416 - E		
(Please type or print	)	<del>-</del>			
Submitted by:	Matthew W. Gisso	endanner	SC Bar Number:		
Address:	SCANA Corp.		Telephone:	803-217-535	
	220 Operation Wa		Fax:	803-217-793	1
	Cayce, SC 29033-		Other: Email: matthew.	gissendanner@s	
be filled out comple	tely.	r use by the Public Service Con  OCKETING INFOR  tition	RMATION (Che	eck all that apply	
INDUSTRY (C	heck one)	NATU	RE OF ACTION	(Check all tha	nt apply)
⊠ Electric		☐ Affidavit	Letter		Request
☐ Electric/Gas		Agreement	Memorandum	1	Request for Certificatio
☐ Electric/Telecon	nmunications	Answer	☐ Motion		Request for Investigation
☐ Electric/Water		Appellate Review	Objection		Resale Agreement
☐ Electric/Water/7	Telecom.	Application	Petition		Resale Amendment
Electric/Water/S	Sewer	☐ Brief	Petition for Re	econsideration	Reservation Letter
Gas		Certificate	Petition for R	ulemaking	Response
Railroad		Comments	Petition for Rul	le to Show Cause	Response to Discovery
Sewer		Complaint	Petition to Inte	ervene	Return to Petition
☐ Telecommunica	tions	Consent Order	Petition to Inter	vene Out of Time	Stipulation
☐ Transportation		Discovery	Prefiled Testin	mony	Subpoena
Water		Exhibit	Promotion		☐ Tariff
☐ Water/Sewer		Expedited Consideration	Proposed Orde	er	Other:
Administrative I	Matter	Interconnection Agreement	Protest		
Other:		Interconnection Amendmen	t Publisher's Af	fidavit	
		Late-Filed Exhibit			





matthew.gissendanner@scana.com

February 15, 2012

#### VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd Chief Clerk/Administrator **Public Service Commission of South Carolina** 101 Executive Center Drive Columbia, South Carolina 29210

RE: Petition of South Carolina Electric & Gas Company for an order authorizing the withdrawal of certain funds from its Storm Damage Reserve Fund to offset those costs incurred in connection with its tree trimming and vegetation management programs for its electric transmission and distribution systems

Docket No. 2008-416-E

Dear Ms. Boyd:

By Order No. 2011-126, dated February 15, 2011, issued in the above-referenced docket, the Public Service Commission of South Carolina ("Commission") authorized South Carolina Electric & Gas Company ("SCE&G" or "Company") to withdraw certain amounts from its Storm Damage Reserve Fund to offset incremental expenses incurred in connection with the Company's distribution and transmission tree trimming and vegetation management programs. As part of its Order, the Commission required that SCE&G file a year-end report concerning its tree trimming and vegetation management programs for the twelve-month period ending December 31, 2011. In compliance with Order No. 2011-126, please find enclosed for filing SCE&G's year-end report.

By copy of this letter, we are serving the South Carolina Office of Regulatory Staff with a copy of the year-end report and enclose a certificate of service to that effect.

If you have any questions or concerns, please do not hesitate to contact us.

Very truly yours,

Matthew W. Gissendanner

Matthew W. Dissendenner

MWG/kms

cc: John W. Flitter

Jeffrey M. Nelson, Esquire

(both via electronic mail and First Class U.S. Mail w/enclosure)

### **BEFORE**

#### THE PUBLIC SERVICE COMMISSION OF

#### SOUTH CAROLINA

#### **DOCKET NO. 2008-416-E**

IN RE:

Petition of South Carolina Electric & Gas for an order authorizing the withdrawal of certain funds from its Storm Damage Reserve Fund to offset those costs incurred in connection with its tree trimming and vegetation management programs for its electric transmission and distribution systems

CERTIFICATE OF SERVICE

This is the certify that I have caused to be served this day one (1) copy of South Carolina Electric & Gas Company's **Year-end Report** via First Class U.S. Mail and electronic mail to the persons named below at the addresses set forth:

Jeffrey M. Nelson, Esquire Office of Regulatory Staff 1401 Main Street, Suite 900 Columbia, SC 29201 jnelson@regstaff.sc.gov

John W. Flitter Office of Regulatory Staff 1401 Main Street, Suite 900 Columbia, SC 29201 iflitter@regstaff.sc.gov

Kafen M. Scruggs

Columbia, South Carolina This 15<sup>th</sup> day of February 2012

# Year-End Report to the Public Service Commission of South Carolina Submitted by South Carolina Electric & Gas Company Pursuant to Public Service Commission Order No. 2011-126

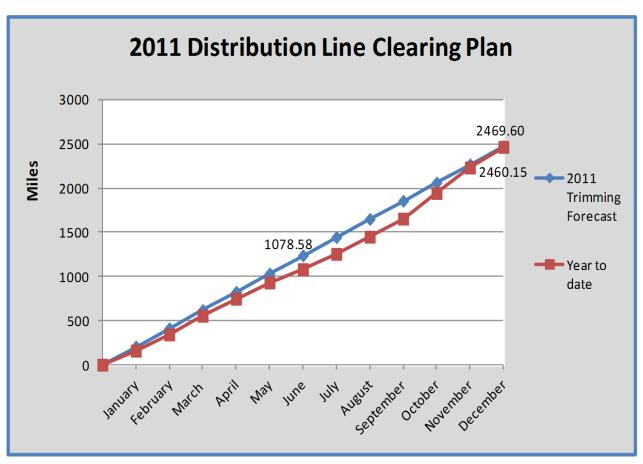
### I. Background

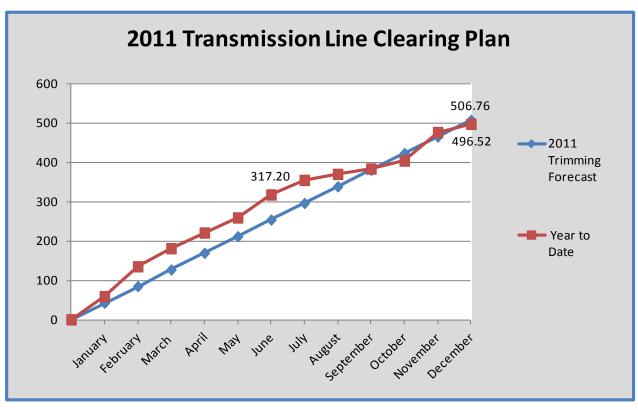
On February 15, 2011, the Public Service Commission of South Carolina ("Commission") issued Commission Order No. 2011-126 ("Order") authorizing South Carolina Electric & Gas Company ("SCE&G" or "Company") to withdraw up to a maximum of \$1,800,000 during the calendar year 2011 from its Storm Damage Reserve Fund to offset incremental costs, defined as annual costs in excess of the level currently provided for in base rates (approximately \$13.2 million), incurred in connection with the Company's distribution and transmission tree trimming and vegetation management programs. In its Order, the Commission required SCE&G to file a year-end report no later than February 15, 2012 showing:

- 1. SCE&G's progress through December 31, 2011.
- 2. SCE&G's vegetation management plan.
- 3. Circuits that have been cleared.
- 4. Cost per circuit cleared.
- 5. Before and after pictures.
- 6. Before and after data of outages.

# II. Progress through December 31, 2011

In an effort to improve reliability across SCE&G's system and improve tolerance to weather related events such as ice storms, severe thunderstorms, tropical storms and hurricanes, the Company, as of December 31, 2011, completed approximately 2,460 miles or 99.6% of its planned tree trimming and vegetation management activities along its distribution lines. Further, the Company completed approximately 497 miles or 98.0% of its planned tree trimming and vegetation management activities along its transmission lines as of December 31, 2011. The graphs below show the Company's actual progress in miles versus its planned activities.





### **III.** Vegetation Management Plan

SCE&G continues to maintain both a transmission and distribution vegetation management plan. In 2006, the North American Reliability Council ("NERC") issued Reliability Standard FAC-003-1 requiring electric utilities to maintain a formal transmission vegetation management program. At the time the Company filed its 2009 Mid-Year Report it provided the Commission and the South Carolina Office of Regulatory Staff with a copy of SCE&G's formal transmission vegetation management program. As of December 31, 2011, the Company has not made any changes to this program.

With regard to its distribution vegetation management program ("DVMP") which is modeled after its formal transmission vegetation management program, the Company continues to include within the DVMP the following basic criteria:

- Circuit Reliability
- Last Trim Date of Circuit
- Critical Customers on Circuit -i.e., hospitals, lift stations.
- Management Input/Condition of Circuit

More specifically, the Company (i) assigns each circuit a reliability index, (ii) identifies each circuit's most recent tree trimming and vegetation management cycle, (iii) identifies critical customers (*i.e.*, hospitals) using electric power on each circuit, and (iv) discusses vegetation management practices with the Company's local operating managers who are responsible for overseeing the management of each circuit. Each circuit is evaluated and prioritized according to the line clearing criteria stated above.

In order to implement its DVMP, the Company issues requests for proposals offering vegetation management contractors the opportunity to submit bids on the tree trimming/vegetation management activities that SCE&G seeks to perform. After evaluating the bids, SCE&G selects various contractors to perform the necessary tree trimming/vegetation management activities. The Company then assigns these contractors to specific geographical areas within each circuit and dispatches them to perform the necessary work. SCE&G assigns local operating personnel from the Company to monitor the activities of the contractors to ensure strict adherence to the DVMP. As work is performed under the DVMP, the management of SCE&G's electric operations reviews the program's results and expenses on a monthly basis.

Approximately one year after conducting the initial tree trimming and vegetation management on various circuits under the DVMP, SCE&G returns to the areas previously maintained and applies foliar herbicide which suppresses the sprouting of unwanted vegetation such as volunteer gum, oak, and pine while simultaneously promoting the growth of native grasses on the Company's rights-of-way. As of December 31, 2011, SCE&G has not made any changes to its DVMP.

### IV. Circuits that Have Been Cleared and Cost per Circuit

Below are tables which contain updated information identifying the distribution and transmission circuits that SCE&G has cleared as of December 31, 2011. In addition, these tables show the total cost to clear the circuit and the cost per mile for each circuit. Note that these tables only include circuits that have been cleared in their entirety, whereas the graphs in section II of this report include all clearing activity, including circuits where clearing activities are still in progress.

### A. Distribution

### **Columbia District**

Project - Circuit	Cost	Miles	Cost per Mile
2011-6	\$891,319.22	153.17	\$5,819.15
Parr - 01122-13432			
Timberlake - 00638-13502			
2011-7	\$680,000.28	116.77	\$5,823.42
Platt Springs Rd - 00660-12042			
Platt Springs Rd - 00660-13162			
Platt Springs Rd - 00660-14552			
Platt Springs Rd - 00660-19252			
2011-8	\$ 834,078.50	93.40	\$8,930.18
Arrowwood - 00605-14702			
Arrowwood - 00605-14802			
Arrowwood - 00605-14902			
Kingswood - 00432-85012			
Kingswood - 00432-86012			
Lyles - 02202-15711			
Lyles - 02202-15912			
Whitehall - 00392-62912			
2011-9	\$815,902.86	103.01	\$7,920.62
Belmont - 00402-81012			
Lyles - 02202-16032			
Muller Avenue - 01024-72211			
2011-10	\$1,907,853.60	191.02	\$9,987.72
Quail Hollow - 00516-15002			
Springdale - 01130-17412			
West Columbia - 01076-36211			
West Columbia - 01076-36311			
Williams Street - 02206-31852			
2011-11	\$1,710,413.73	177.80	\$9,619.87
Coit - 02201-13832			
Coit - 02201-13932			
Columbia Industrial Park - 78602			
Columbia Industrial Park - 79812			
Columbia Industrial Park - 79912			

Project - Circuit	Cost	Miles	Cost per Mile
East Columbia - 00575-18802			
Howard Street - 01102-78412			
Kal-Kan - 00558-12812			
Kendrick - 02211-18522			
Williams Street - 02206-31962			
2011-12	\$1,318,912.18	169.87	\$7,764.24
Blythewood - 00517-10222			
Blythewood - 00517-11102			
Greengate - 00571-17802			
Killian Road - 00534-63312			
Killian Road - 00534-63412			
Lake Carolina - 00804-29512			
Northpoint - 00821-45012			
Northpoint - 00821-45112			
Northpoint - 00821-45212			
Pontiac - 00631-10802			
Pontiac - 00631-10902			
Pontiac - 00631-11002			
Pontiac - 00631-21002			
Rader - 02208-16512			
Rader - 02208-16612			
S C Research Park - 00599-17002			
2011-22	\$653,179.00	96.19	\$6,790.51
Lexington Industrial Park - 25312			
Lexington Industrial Park - 27312			
Lexington Transm - 01041-15362			
Lexington Transm - 01041-19832			
Lexington Transm - 01041-24862			
Columbia District Total	\$8,811,659.37	1101.23	\$8,001.65

# **Charleston District**

Project - Circuit	Cost	Miles	Cost per Mile
2010-H23	\$503,246.00	53.70	\$9,371.82
Savage Rd 00293-01912			
Savage Rd 00293-01922			
Savage Rd 00293-01932			
Savage Rd 00293-01972			
Savage Rd 00293-92952			
Savage Rd 00293-92962			
2011-16	\$272,759.70	51.52	\$5,294.25
Rantowles - 00806-92032			
2011-17	\$122,879.96	26.48	\$4,640.48
Meeting St - 00067-04532			
Meeting St - 00067-04552			
Meeting St - 00067-04562			
Meeting St - 00067-04572			
Stono Park - 00416-92272			
2011-18	\$424,695.03	54.02	\$7,861.81
Bayview - 02056-95002			
Bayview - 02056-95012			
Bayview - 02056-95022			
Hamlin - 00568-90692			
Hamlin - 00568-90932			
Hamlin - 00568-90942			
Hamlin - 00568-90952			
Hamlin - 00568-90962			
2011-19	\$565,300.08	78.45	\$7,205.86
Port Park - 00199-90082			
Port Park - 00199-90092			
Seven Mile - 00423-90352			
Ten Mile - 00142-90182			
Ten Mile - 00142-90192			
Charleston District Total	\$1,888,880.77	264.17	\$7,150.25

# **Low Country District**

Project - Circuit	Cost	Miles	Cost per Mile
2011-13	\$777,432.60	147.52	\$5,270.01
Bacons Bridge Road - 91252			
Boone Hill - 00504-70022			
Boone Hill - 00504-70032			
Palmetto Commerce - 70522			
Palmetto Commerce - 70532			
Summerville Central - 70702			
Summerville Plaza - 70932			
White Gables - 00819-70412			
2011-14	\$1,123,869.10	273.44	\$4,110.11
Huron - 00776-02632			
Gaston - 00507-50072			
Gaston - 00507-50082			
Gaston - 00507-50352			
Gaston - 00507-50362			
Gaston - 00507-50392			
St Matthews - 00417-20022			
2011-15	\$329,689.00	86.64	\$3,805.27
Bowman - 01006-38602			
Branchville - 00019-32022			
Branchville - 00019-32032			
Saint George - 00686-71132			
Low Country District Total	\$2,230,990.70	507.60	\$4,395.17

# **Southern District**

Project - Circuit	Cost	Miles	Cost per Mile
2011-20	\$314,589.54	42.83	\$7,345.07
Varnville - 00177-40012			
2011-21	\$473,958.38	94.88	\$4,995.35
Beaufort Central - 00014-60322			
Frogmore - 00310-60262			
Meadowbrook - 00598-60082			
Southern District Total	\$788,547.92	137.71	\$5,726.15

# **Western District**

Project - Circuit	Cost	Miles	Cost per Mile
2010 – H24	\$224,362.00	24.33	\$9,221.66
Hounds Lake 00587-18072			
Hounds Lake 00587-18162			
Hounds Lake 00587-18252			
2011-1	\$320,134.14	149.80	\$2,137.08
Johnston - 01039-48111			
Ridge Spring - 01051-10152			
Ridge Spring - 01051-10162			
Thurmond - 00438-10112			
Ward - 00546-20602			
2011-2	\$416,944.72	94.40	\$4,416.79
Cloverleaf - 00414-30202			
Cloverleaf - 00414-30212			
North Augusta - 00589-30602			
North Augusta - 00589-30702			
Sage Mill Industrial Park - 00730-13062			
Sage Mill Industrial Park - 00730-13072			
Stevens Creek MIMS S-D - 02492-00351			
Stevens Creek River Plant S-D - 00352			
Sweetwater - 00513-30102			
2011-3	\$461,867.08	101.95	\$4,530.33
Gregg Ave - 00407-18132			
South Side - 00375-35022			
Winans Stepdown - 00002-00100			
2011-4	\$307,391.00	108.39	\$2,835.97
Jackson - 00247-02692			
Silver Bluff - 00539-30312			
SRS 3 Rivers - 05182-00400			
2011-5	\$458,814.25	109.60	\$4,186.26
Barnwell East Side - 00567-50802			
Barnwell East Side - 00567-50702			
Barnwell Heights - 00487-50052			
Barnwell Industrial Park - 00780-50432			
Barnwell Industrial Park - 00780-50422			
Kronotex - 00813-50912			
Kronotex - 00813-50902			
Schofield - 00174-01618			
Western District Total	\$2,188,892.47	588.47	\$3,719.63

# B. Transmission

Project - Line Name	Cost	Miles	Cost per Mile
2011-4	* See Note	3.63	\$2,295.00
(Beech Island) Stevens Creek- Jackson			
2011-5	* See Note	18.45	\$3,495.00
Barnwell-Blackville 46KV			
2011-20	* See Note	50.48	\$2,795.00
Fairfax Transmission - Hampton 46KV	Occ Note	001-10	Ψ2,1 00.00
Hampton Trans - Varnville 46KV			
Hampton - Estill 46KV			
Fairfax Transmission -Estill 46KV			
2011-23	\$143,940.26	44.80	\$3,212.95
Batesburg - Catlin Farish Tap	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		, , , , ,
Batesburg - Leesville Line			
Batesburg - Trenton Line			
Batesburg City Tap			
Consolidated Yarn (Trenton) Line			
Edgefield Water Works Tap			
J. B. Martin (Leesville) Tap			
J. B. Martin Tap #1			
J. B. Martin Tap #2			
Johnston Tap			
Leesville Tap			
Miliken Tap			
Ridge Springs Tap			
Riegal Textile (Johnston) Tap			
Trenton - Trenton Distribution Line			
Trenton Transmission Tap			
Urquhart - Stevens Creek Line			
Ward - Trenton Line			
2011-24	\$467,241.98	68.12	\$6,859.10
Carolina Eastman - Westinghouse Line			
Carolina Eastman Line #1			
Cola Airport Industrial Park Tap			
Cola Ind Park - Kendrick Line			
Cola Ind Park - Kendrick SW Line			
Columbia Sewage Tap			
Crafts - Farrow (Columbia) Tap			
Cromer Road Tap			
Denny Terrace - Rader Line #1			
Denny Terrace - Rader Line #2			
Dunbar Road - Dixiana Tap			
Dunbar Road - Orangeburg Line			
Eastman #2 Substation Line			
Edenwood - CEC Line			
Edenwood - Cola Industrial Park Line			

Project - Line Name	Cost	Miles	Cost per Mile
Edenwood - Dunbar Road Line			
Edenwood - McMeekin Line			
Fort Jackson - Victory Gardens Line			
Fort Jackson - Woodfield Line			
Kendrick - Fort Jackson Line			
Pineland - Rader Line			
Pineland - Sandhill Line			
Pineland - Woodfield Line			
Rader - Circle Line			
Rader - Woodfield Line			
Saluda Hydro - Cola Indust Park Line			
Sandhill - Woodfield Line			
Shakespeare (Columbia Products) Tap			
Sparkleberry Tap			
Springdale Tap	ΦΕΩ4 Ε44 ΩΩ	75.70	<b>↑7.004.04</b>
2011-25	\$591,511.38	75.79	\$7,804.61
Bacons Bridge Tap			
Boonehill - Old Fort Line			
Boonehill Tap			
Cainhoy Tap			
CEC (Hamlin) Tie Line			
Church Creek - Queensboro Line			
Enjay (Summerville) Tap			
Fort Johnson Road Tap			
G. E. (Ladson) Tap #1			
Hamlin Line			
James Prioleau Tap			
Ladson - Old Fort Line			
Ladson Tap			
Riverland Terrace Tap			
Saint Andrews - James Island Line			
Saint George - Williams Line #1			
Summerville - Enjay Tap Line			
Summerville - Ashley Phosphate Line			
Summerville - Boonehill Line			
Summerville Industrial Park Tap			
Summerville Plaza Tap			
White Gables Tap			
Williams - Faber Place Line #1			
Williams - Faber Place Line #2			
Williams - Mount Pleasant Line #1			
Williams - Mount Pleasant Line #2			
2011-26	\$88,609.18	35.9	\$2,468.22
Saint George - Denmark Line	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		. ,
22 2.23.90 2.0			

Project - Line Name	Cost	Miles	Cost per Mile
2011-27	\$420,844.57	73.30	\$5,741.40
Calhoun Tap	•		
Cope - Orangeburg Line			
Dunbar Road - Orangeburg Line			
Gaston Tap			
Nassau Tap			
Orangeburg - Calhoun County 115 kV Line			
Orangeburg - Eastover Line			
Orangeburg East - Orangeburg #1 Tie			
Orangeburg East - Orangeburg #2 Tie			
Saint George - Orangeburg Line			
Tee Pak Tap			
Wateree - Orangeburg Line			
2011-28	\$188,853.63	70.30	\$2,686.40
Carolina Eastman - Westinghouse Line			
Columbia Industrial Park - Eastover Line			
East Columbia Tap			
Eastover - Sumter Line			
Eastover - Union Camp Line			
Huron Tap			
Lower Richland Tap			
Orangeburg - Eastover Line			
Square D Tap			
Wateree - Denny Terrace Line			
Wateree Distribution Tap			
Westinghouse Junction - Hopkins Line			
Westinghouse Tap (Hopkins Fold-In)			
2011-29	\$70,824.80	24.40	\$2,902.66
Blythewood-Summer (Santee Cooper) Line			
Denny Terrace - Parr Line #1			
Denny Terrace - Parr Line #2			
Fairfield - Summer Line #1			
Fairfield - Summer Line #2			
Newberry - Summer (Santee Cooper) Line			
Parr - Denny Terrace Line			
Parr - Duke Tie Line #1			
Parr - Duke Tie Line #2			
Parr - Midway Line #1			
Parr - Midway Line #2			
Parr - Safeguard Line			
Parr - Winnsboro Line #1			
Parr - Winnsboro Line #2			
Parr Substation Line			
Safeguard Tap			
Safeguard-Parr - Parr-Winnsboro Tie			
Summer - Denny Terrace Line			

Project - Line Name	Cost	Miles	Cost per Mile
Summer - Graniteville Line			
Summer - McMeekin Line			
Summer - Parr Line #1			
Summer - Parr Line #2			
Summer - Pineland Line #1			
2011-30	\$50,984.80	27.00	\$1,888.33
Saint George - Canadys Line #1			
Saint George - Canadys Line #2			
Saint George - Canadys Line #3			
Saint George - Denmark Line			
Total Transmission Projects	\$2,236,715.80	492.17	\$4,544.60

<sup>\*</sup> Note: Costs are included in Distribution projects' overall costs

# V. <u>Before and After Pictures</u>

Below are photographs of portions of circuits that have been cleared. These photographs show the positive results of SCE&G's tree trimming and vegetation management activities.

Western – Barnwell East Side ckt 50802





## Columbia – Platt Springs ckt 14452





Columbia – Five Points ckt 24612





LowCountry- Gaston ckt 50352





# Southern – Beaufort Central ckt 60322





Columbia Industrial Park-Kilbourne Park 115kva





Denny Terrace- Rader 115 kva





## Lake Murray-Edenwood 230 kva





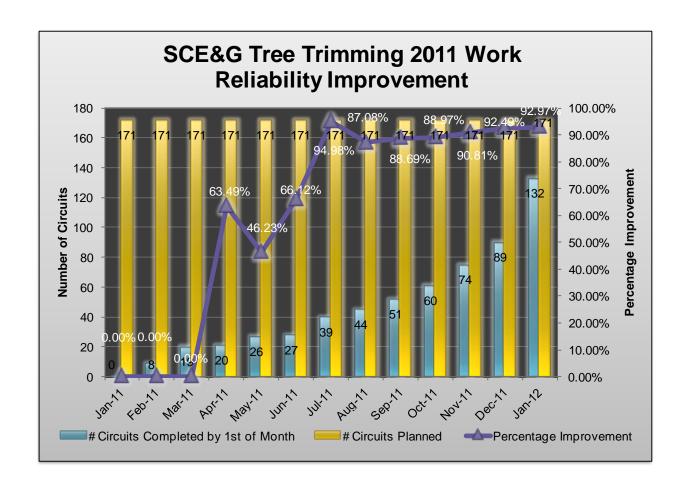
### Edenwood-Dunbar 115 kva





### VI. Before and After Data of Outages

SCE&G uses the System Average Interruption Duration Index ("SAIDI") to measure its frequency and duration of outages. The graph below depicts the percentage SAIDI improvement (92.49%) in vegetative related outages for circuits completely trimmed (89) through December 31, 2011, compared to the past twelve months of outage minutes for the same circuits prior to trimming.



## VII. Storm Damage Reserve Fund Balance at December 31, 2011

As of December 31, 2011, the balance in SCE&G's storm damage reserve fund was \$31,886,914.

# VIII. <u>Amount Withdrawn From Storm Damage Reserve Fund for Tree</u> <u>Trimming and Vegetation Management as of December 31, 2011</u>

The Company withdrew \$1,800,000 from the Storm Damage Reserve Fund concerning its 2011 tree trimming and vegetation management activities.

# IX. <u>Conclusion</u>

Vegetation management is one of the many critical components required to ensure that SCE&G provides safe and reliable electric service to its customers. As demonstrated above, SCE&G's vegetation management plan is contributing to the improved reliability of the Company's system and increasing the system's tolerance to weather related events which is beneficial to SCE&G and its customers.